

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION**

IN RE:)	
CAH ACQUISITION COMPANY 7, LLC, d/b/a PRAGUE COMMUNITY HOSPITAL,)	Case No. 19-01298
Debtor.)	Chapter 11
)	

TRUSTEE’S STATUS REPORT ON STIMULUS FUNDS ATTESTATION

NOW COMES Thomas W. Waldrep, Jr., the trustee (the “Trustee”) for the above-captioned debtor (the “Debtor,”) by and through undersigned counsel, and hereby submits this Status Report on the *Motion for Order Confirming Trustee’s Use of Stimulus Funds, Authorizing Transfer of Stimulus Funds, and Eliminating Trustee’s and Estate’s Liability for Use of Stimulus Funds* [Dkt. No. 573] (the “Stimulus Motion”). In support thereof, the Trustee respectfully states as follows:

1. On May 4, 2020, the sale of substantially all of the Debtor’s assets was closed and those assets transferred to the purchaser, Transcendental Union with Love and Spiritual Advancement (“TULSA”). Since that date, TULSA has been operating the 25-bed hospital known as the Prague Community Hospital in Prague, Oklahoma.

2. On May 15, 2020, the Trustee filed the Stimulus Motion seeking an Order regarding the use of certain funds related to the COVID-19 coronavirus pandemic received by the Debtor from state and federal entities.

3. On August 4, 2020, as required by the United States Department of Health and Human Services, the Trustee timely attested to the receipt of the funds the Debtor received on May 6, 2020 (\$2,896,348.19) (the “Funds”) through an online portal set up for such purpose.

4. The Trustee did so because the Trustee and TULSA have agreed to a settlement in principal regarding the Funds and the Trustee expects to file an Amended Motion for Approval of Consent Order detailing such settlement with this Court next week.

Respectfully submitted, this the 9th day of August, 2020.

WALDREP LLP

/s/ Jennifer B. Lyday

Thomas W. Waldrep, Jr. (NC State Bar No. 11135)

Jennifer B. Lyday (NC Bar No. 39871)

Francisco T. Morales (NC Bar No. 43079)

101 S. Stratford Road, Suite 210

Winston-Salem, NC 27104

Telephone: 336-717-1440

Telefax: 336-717-1340

Email: notice@waldrepllp.com

- and -

HENDREN, REDWINE & MALONE, PLLC

Jason L. Hendren (NC State Bar No. 26869)

Rebecca F. Redwine (NC Bar No. 37012)

4600 Marriott Drive, Suite 150

Raleigh, NC 27612

Telephone: 919-420-7867

Telefax: 919-420-0475

Email: jhendren@hendrenmalone.com

redwine@hendrenmalone.com

Co-Counsel for the Trustee